



MISSOULA

OFFICE OF THE MAYOR

435 RYMAN MISSOULA, MONTANA 59802-4297

SENATE LOCAL GOVERNMENT

EXHIBIT NO. 8

DATE 1.14.09

BILL NO. SB 8

January 13, 2009

Chairman John Esp
and Members of the Senate Local Government Committee
Montana Senate
PO Box 200400
Helena, MT 59620-0400

Sent via email and FAX to (406) 444-4875

Chairman Esp and Honorable Members of the Senate Local Government Committee:

The City of Missoula would like to encourage your opposition of SB 8, "An Act Allowing for the Creation of Regional Resource Authorities." This legislation appears to open a lot of questions regarding its compatibility or conflict with existing legislation related to existing cities, towns, counties and consolidated governments such as Butte-Silver Bow. Particularly those sections of State law that place limitations or guidelines on the use of local governments' taxation and regulatory authorities.

Senate Bill No. 8 would create a new form of local government called a Regional Resource Authority, with all the powers granted by the Montana constitution to cities, towns, counties and consolidated governments, **including powers of taxation and regulation**. However, this new form is not specifically named in existing legislation that currently regulates cities, towns, counties and consolidated governments.

This raises the question if Regional Resource Authorities (RRAs):

1. Are able to enact regulatory resolutions and ordinances including requiring payment of permit fees, etc.?
2. Are able to tax without limitations?
3. Would have expensive litigation and future legislation to formulate regulations that limit taxation and other activities similar to those for cities, towns, counties and consolidated governments?
4. Could be formed out of existing sewer and water districts that would allow these existing districts to bypass the legislation that limits a district's tax and regulatory activities?
5. Could potentially interfere or conflict with existing legally formed cities and counties subject to Montana Code Annotated Title 7, Chapter 2, Part 1 through Part 49 that outlines the methods for "Creation, Alteration, and Abandonment of Local Governments?"

It appears there would be significant risk in adopting legislation that allows the creation of this proposed new form of local government without addressing the necessary limitations and restrictions that would place them on equal footing and avoid conflicts with existing local governments such as cities, towns, counties and consolidated governments.

Please consider opposing SB 8 to protect the citizen of Montana.

Sincerely,

A handwritten signature in black ink, appearing to read "John Engen". The signature is stylized with a large, looping initial "J" and a trailing flourish.

Mayor John Engen

cc: Missoula Delegation
Alec Hanson, Montana League of Cities and Towns
Gallatin Public Affairs
Jim Nugent, City Attorney
Steve King, Public Works Director
Jim Carlson, Environmental Health Director